Cobalt One to Merge with First Cobalt

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TORONTO, June 26, 2017 - First Cobalt Corp. ("First Cobalt") (TSX VENTURE:FCC) (OTCQB:FTSSF) and Cobalt One Ltd. ("Cobalt One") (ASX:CO1) are pleased to announce that following the non-binding, conditional proposal by First Cobalt to acquire 100% of the shares in Cobalt One, as announced by First Cobalt on the TSX Venture Exchange ("TSXV") dated June 21, 2017, both parties subsequently signed a letter of intent on June 23, 2017, pursuant to which First Cobalt intends to acquire all of the issued and outstanding common shares of Cobalt One by way of a court approved scheme of arrangement (the "Arrangement").

Highlights:

- Creates a leading pure-play cobalt exploration company ("MergeCo") with a portfolio of high quality exploration assets and the only permitted cobalt extraction refinery in the Cobalt, Ontario mining camp (the "Cobalt Camp")
- Experienced management team based in Toronto, with a proven track record of discovery, development, and finance, and located in close proximity to the Cobalt Camp
- MergeCo will be the largest listed cobalt exploration company with a pro-forma market capitalization of $110 million
- MergeCo will be listed on the TSXV, the ASX and the OTCQB, subject to regulatory approval
- Increased scale of the combined company will enhance its capital markets profile, liquidity, provide greater access to capital across the exchanges and provides for strong rerating potential
- Following completion of the Arrangement, it is intended that the Company's Board will be reconstituted to include Cobalt One chairman Paul Matysek, Cobalt One Executive Director Jason Bontempo and Bob Cross

Cobalt One Executive Director Jason Bontempo commented,

"This proposal represents an attractive opportunity for Cobalt One to expand and allow shareholders to benefit from being part of a larger company that is expected to have greater liquidity and access to capital from two of the world's leading capital markets. Cobalt One shareholders would have a meaningful position in the merged company."

Trent Mell, First Cobalt President and CEO commented,

"I look forward to welcoming Jason, Paul and Bob to the Board of Directors. By creating what we believe to be the largest cobalt exploration company in the world, the new company will provide strong leverage to the growth of the electric vehicle market."

Benefits to Cobalt One Shareholders:

- Presents an opportunity to leverage First Cobalt's management team's strong in-country mining expertise to ensure optimal exploration and development strategy
- Positions MergeCo as the dominant landholder in the Cobalt Ontario mining camp, consolidating almost 50% of the prospective properties in the camp
- Greater liquidity and prospect of market re-rating with enhanced scale, capital markets profile and increased access to capital across two listed markets
- Cobalt One shareholders will maintain a majority stake in MergeCo, allowing for greater upside as MergeCo progresses with exploration programs

Terms of the Arrangement

Under the terms of the Arrangement, Cobalt One shareholders will receive 0.145 of a First Cobalt common share for each Cobalt One ordinary share (a "CO1 Share"), representing the equivalent of A$0.11 per CO1 Share, based on the last trading price (C$0.76) of First Cobalt shares on the June 23. This exchange ratio

implies a total transaction value of approximately $140 million on a fully diluted in the money basis.

The Arrangement is an arms' length transaction, and will constitute a reverse-takeover of First Cobalt under the policies of the TSXV following which it is anticipated that First Cobalt would remain listed on the TSXV as a Tier 2 Mining Issuer. Completion of the Arrangement is subject to a number of conditions, including the entering into of definitive documentation, approval by the shareholders of Cobalt One and First Cobalt and receipt of all required regulatory approvals, including the approval of the TSXV and the Australian Securities and Investments Commission. The Arrangement cannot close until these conditions are satisfied and the required approvals are obtained. Trading in the common shares of First Cobalt will remain halted pending further filings with the TSXV.

Management and Directors

Following completion of the Arrangement, it is intended that the Company's Board will be reconstituted to include Cobalt One chairman Paul Matysek, Cobalt One Executive Director Jason Bontempo, Mr. Robert (Bob) Cross and some or all of the current First Cobalt Board members.

Mr. Paul Matysek is a corporate entrepreneur, professional geochemist and geologist with over 30 years of experience in the mining industry. He was previously CEO of Lithium One, which merged with Galaxy Resources of Australia via a $112M plan of arrangement to create an integrated lithium company. He also served as CEO of Potash One, which was acquired by K+S Ag for $434 million in a friendly takeover in 2011. Mr. Matysek was also the founder and CEO of Energy Metals Corp., a uranium company that grew from a market capitalization of $10 million to approximately $1.8 billion when sold in 2007.

Mr. Jason Bontempo has 18 years' experience in public company management, corporate advisory, investment banking and public company accounting, qualifying as a chartered accountant with Ernst & Young. Mr. Bontempo has worked primarily providing corporate advice and the financing of resource companies across multiple capital markets including resource asset acquisitions and divestments. Mr. Bontempo has also served on the board and the executive management of minerals and resources public companies focusing on advancing and developing mineral resource assets and business development.

Mr. Robert (Bob) Cross is an engineer and Harvard MBA with 25 years of experience as a financier in the mining and oil & gas sectors. He co-founded and serves as Chairman of B2Gold, which has a $3.7 billion market cap and produces almost one million ounces of gold per year. He was also co-founder and Chairman of Bankers Petroleum Ltd., co-founder and Chairman of Petrodorado Energy Ltd., and until October 2007, was the Non-Executive Chairman of Northern Orion Resources Inc. Between 1996 and 1998, Mr. Cross was Chairman and Chief Executive Officer of Yorkton Securities Inc. From 1987 to 1994, he was a Partner, Investment Banking with Gordon Capital Corporation in Toronto.

Advisors and Counsel

Canaccord Genuity Corp. is acting as financial advisor to First Cobalt, Cassels Brock and Blackwell LLP and Jackson McDonald are acting as legal counsel to First Cobalt.

Gilbert + Tobin and Fasken Martineau DuMoulin LLP are acting as legal counsel to Cobalt One.

About First Cobalt

First Cobalt is focused on building a diversified global portfolio of assets that are highly leveraged to the cobalt market. The Company's current assets include almost 3,000 hectares and three former mines in the Cobalt camp in Ontario, Canada. Cornerstone assets include an option for the former producing Keeley-Frontier mine, a high-grade mine that produced over 3.3 million pounds of cobalt and 19.1 million ounces of silver from 301,000 tonnes of ore, as well as a joint venture on a fully permitted cobalt refinery in Cobalt, Ontario. The Company also has interests in seven prospective copper-cobalt properties covering 190 square kilometres in the Democratic Republic of the Congo, all with known surface mineralization.

About Cobalt One Limited

Cobalt One Ltd. is a cobalt exploration company with high grade projects and the only permitted cobalt extraction refinery in a Tier 1 mining jurisdiction, Ontario, Canada. It has seven high-grade cobalt properties in Cobalt, Ontario which includes; Cobalt Town claims, Lorrain Valley Cobalt claims, Silver Centre Cobalt claims and Silverfields mine property, which has four patented mining claims near Cobalt Town.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The TSX Venture Exchange has in no way passed upon the merits of the Arrangement, and has neither approved nor disapproved the contents of this release.

Completion of the Arrangement is subject to a number of conditions, including the entering into of definitive documentation, acceptance of the Australian Securities and Investments Commission and the TSX Venture Exchange and disinterested Shareholder approval. The Arrangement cannot close until the required Shareholder approval is obtained. There can be no assurance that the Arrangement will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Information Circular to be prepared in connection with the Arrangement, any information released or received with respect to the Arrangement may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

Cautionary Note Regarding Forward-Looking Statements

This news release may contain forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance and opportunities to differ materially from those implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include the reliability of the historical data referenced in this press release and risks set out in First Cobalt's public documents, including in each management discussion and analysis, filed on SEDAR at www.sedar.com. Although First Cobalt believes that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, First Cobalt disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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